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Page 2260 - ADP USE IN GOVERNMENT

The Senate Oct. 22 passed by voice vote and cleared for the President an Administration-supported bill (H. R. 4845) establishing the authority and procedure for making more efficient use of automatic data processing (ADP) in the Federal Government. The bill made the General Services Administration (GSA) responsible for coordinating ADP in the Government, instead of leaving each agency to determine its own policy.

Federal expenditures currently exceeded \$3 billion a year for ADP, according to the report (S. Rept. 938) of the Senate Government Operations Committee accompanying the bill. The Government was the largest single user of data processing equipment in the world; its use of computer systems had risen from 10 in 1954 to more than 2,000 in 1965, excluding another 1,000 to 2,000 systems leased or purchased by private contractors at Government expense.

Since the Bureau of the Census installed the Government's first computer in 1951, the report said, use of ADP had spread throughout the federal establishment to become an integral part of bookkeeping, record analysis and similar operations.

In 1959, the Budget Bureau made a study of responsibilities for Government ADP usage and found a need for more coordination. In the intervening years, the Comptroller General issued about 100 audits "severely critical" of Government ADP management procedures, the Senate Committee report said. Lack of fulltime utilization and costly leases (rather than outright purchase) were cited as two examples of inefficient management procedures.

H. R. 4845, the report said, was intended to meet those objections and to initiate a coordinated program utilizing "long recognized and accepted management techniques." The Comptroller General "conservatively" estimated that the savings under H. R. 4845 procedures would amount to \$200 million annually, the report said. While the Budget Bureau had resisted previous efforts to initiate such a coordinated program, it supported H. R. 4845.

The bill amended Title I of the Federal Property and Administrative Services Act of 1949, adding a new section (Section 111) centralizing in the GSA control over ADP equipment needed by federal agencies. The bill specified that financing of ADP would be provided by a revolving fund instead of by individual agency arrangement; that the fund would be capitalized initially by appropriation and transfer of equipment from agencies; and that agencies would be reimbursed for the transfers through user charges from the equipment.

ADP equipment used by the Defense Department for purely military purposes or by the Central Intelligence Agency or other agencies for classified purposes could be excluded from the new pooling arrangements.

The bill further authorized the Secretary of Commerce to advise the GSA and the President on developments in ADP and on utilization of such automatic equipment.

BACKGROUND -- Rep. Jack Brooks (D., Texas) Feb. 11 introduced H.R. 4845, which was reported Aug. 17 by the House Government Operations Committee (H. Rept. 802) and was passed by the House on Sept. 2. The Senate Government Operations Committee Oct. 22 reported the bill (S. Rept. 938).

A similar bill (H.R. 5171) was introduced by Brooks in 1963 and was passed by the House, but was not acted upon by the Senate (1963 CQ Almanac p. 409)